# GOVERNMENT OF INDIA
# STEEL
# LOK SABHA

UNSTARRED QUESTION NO:2975
ANSWERED ON:21.03.2002
MEMORANDUM OF UNDERSTANDING BETWEEN INDIA AND CHINA
GANGASANDRA SIDDAPPA BASAVARAJ

**Will the Minister of STEEL be pleased to state:**

(a) whether India and China have stepped up their steel output despite OECD cutbacks;

(b) if so, whether India and China have been able to increase their steel production;

(c) if so, the details thereof;

(d) the total growth India has achieved in steel during the current year; and

(e) the steps being taken to improve it further?

## Answer

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a) OECD has not decided on any cutback in Indian steel production.

(b)&(c): The details of production of finished steel in India and China during the last 3 years are as under:

(In million tonnes)

| | 1998-99 | 1999-2000 | 2000-2001 |
|---|---|---|---|
| India | 24 | 27 | 29 |
| China+ | 115 | 124 | 127 |

(+ Source : International Iron and Steel Institute)

(d) During the period from April 2001 to January 2002, the estimated production of finished steel in the country was 25 million tonnes. This figure is higher by 1.2% over the production during the corresponding period of the last year.

(e) It is expected that domestic production would increase in response to the increase in consumption levels as a result of various Government initiatives. The Government has taken several steps to raise consumption level of steel in the country:
(i) constitution of a National Campaign Committee to promote steel consumption through development of markets especially in the rural areas,
(ii) encouraging usage of steel in new application areas such as grain storage systems, crash barriers in highways and expressways,
(iii) providing financial support to R&D ventures in iron and steel sector to reduce production cost,
(iv) constitution of a Committee to augment use of domestic steel in the automobile sector,
(v) organising seminars for dissemination of knowledge on the use of steel and
(vi) setting up of service centers to supply steel products as per the specific needs of the consumers.